

# ***Pacific Air Forces***

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***Integrity - Service - Excellence***

## **Contractor Progress**

**HQ PACAF/LGC**



**U.S. AIR FORCE**

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# Objectives

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- **Identify basic facts and terms concerning progress schedules**
- **Identify basic facts and terms concerning progress reports**
- **Discuss progress payments under construction contracts**
- **Demonstrate how to calculate a progress payment**



# Contract Progress Schedule

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## ■ Applicability

- Fixed-price construction contracts exceeding the SAT
- When period of performance > 60 days
- When period of performance < 60 days (if an unusual situation exists)
- Required when clause 52.236-15, Schedules for Construction Contracts, is inserted in the solicitation/contract

## ■ Submission of intended progress

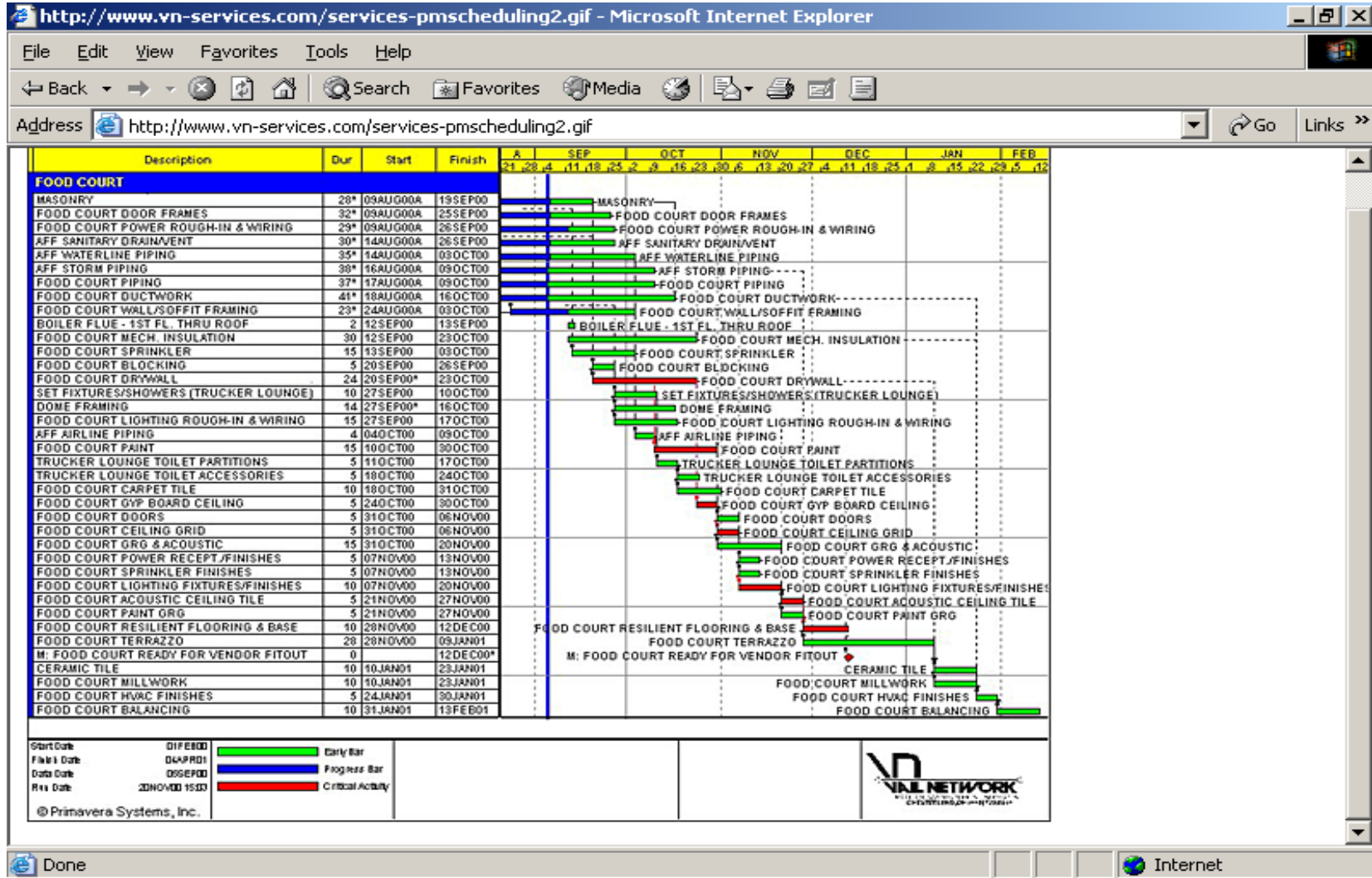
- AF Form 3064, Contract Progress Schedule may be used to satisfy this requirement
- Other schedules may be used (if approved by the CO)
  - Critical Path Method



AF Form 3064, JUN 90 PREVIOUS EDITION IS OBSOLETE

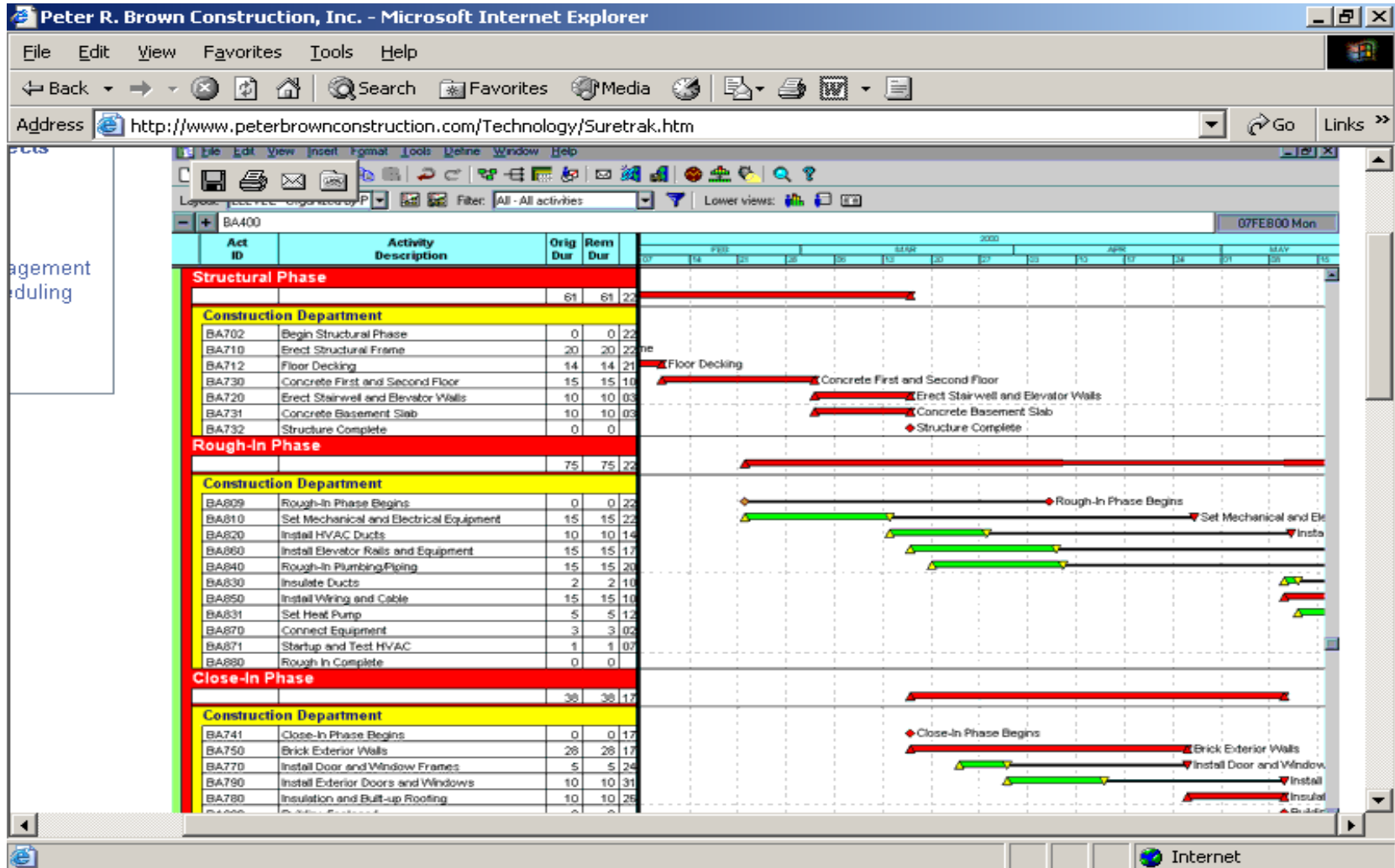


# Critical Path Method (CPM)



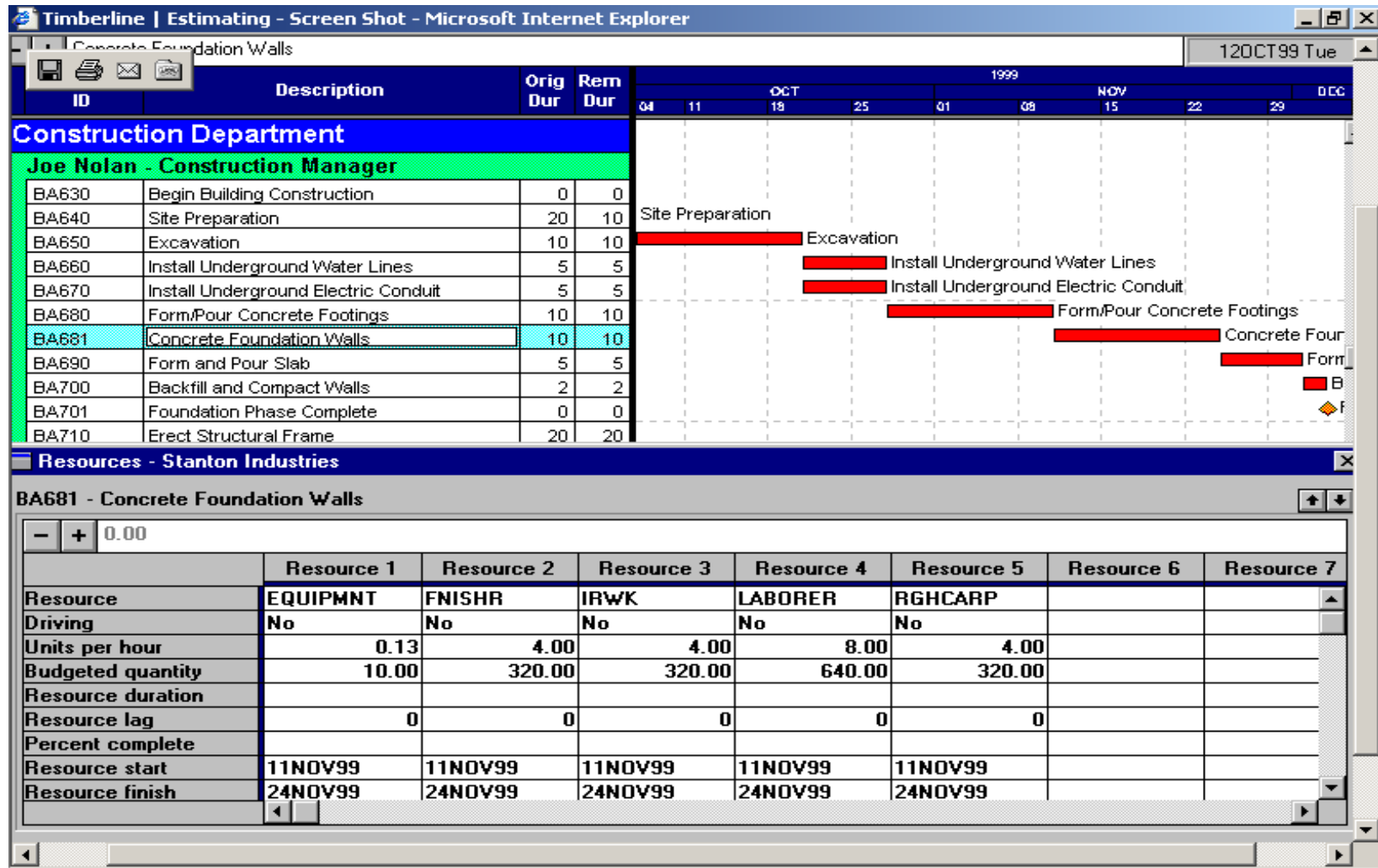


# Sure Trak Progress Schedule





# Timberline Progress Schedule





# **Non-Compliance with Intended Contract Progress Schedule**

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- **Increase number of shifts**
- **Use overtime operations**
- **Increase days of work**
- **Submit supplementary schedule or schedules**
- **Grounds for termination if contractor fails to comply**





# Revised Contract Progress

## **Schedule**

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- **Changing progress of work as originally scheduled**
- **Adding or deleting work**
- **Changing completion date**
- **Revised schedules shall be titled “First Revised Schedule”, “Second Revised Schedule”, as appropriate, and written/typed directly underneath the form title**
- **Required submission of the revised schedule is determined by the CO**



# Contract Progress Reports

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- **Compares proposed work completed in relation to actual work accomplished**
- **Determines appropriate amount due to contractor**
- **AF Form 3065, Contract Progress Report, may be used to satisfy this requirement**
  - **Submission methods**
    - **Contractor and civil engineering (or their designees) prepare a report covering the same period and forward a copy to the Contracting Officer for review; or**
    - **Contractor prepares the report and routes it through civil engineering; CE reviews the report, makes necessary comments, and forwards it to the Contracting Officer for review and appropriate action**

AF FORM 3065, 19960401 (EF-V3)

PREVIOUS EDITION IS OBSOLETE.



# **Progress Payments Under Construction Contracts**

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## **■ Retainage**

- If the contractor does not achieve satisfactory progress, the Contracting Officer may retain a percentage of the progress payment**
- Determined on a case-by-case basis**
- Contracting Officer may withhold up to 10%**
- Upon completion of all contract requirements, retained amounts shall be paid promptly**



# Calculating a Progress Payment

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<b>Original Contract Amount</b>	<b>\$1,300,000.00</b>
<b>Add/Subtract Modifications</b> (applicable)	<b>\$ <u>                    .00</u></b> (if applicable)
<b>Revised Contract Total</b>	<b>\$1,300,000.00</b>
<b>Multiplied by Percentage Complete</b>	<b><u>                    </u> x <u>30%</u></b>
<b>Equals amount due</b>	<b>\$390,000.00</b>
<b>Subtract Previous Progress Payments</b> (prior payment)	<b><u>- \$130,000.00</u></b> (10% prior payment)
<b>Subtotal</b>	<b>\$260,000.00</b> (20% completed this period)
<b>Subtract Any Retainage</b>	<b><u>- 0%</u></b>
<b>Amount Due to Contractor</b>	<b>\$260,000.00</b>



# Summary

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- **Identify basic facts and terms concerning progress schedules**
- **Identify basic facts and terms concerning progress reports**
- **Discuss progress payments under construction contracts**
- **Demonstrate how to calculate a progress payment**